

ARIZONA **BINGO REVIEW**

**Governor**

Jane Dee Hull

Director

Mark Killian

Customer Service Executive

Marquetta White

Phoenix Office

1600 West Monroe

Phoenix, AZ 85007

Phone (602) 542-3227

(Fax 602-364-0086)

Bingo Section Administrator

David Manzer

Investigator

Ralph A Young

Revenue Auditor

Loraine Mata

Administrative Secretary

Lupe Bejarano

Tucson Office

400 West Congress

Tucson, AZ 85701

Phone (520) 628-6438

(Fax 520-628-6474)

Investigation Supervisor

Anthia "Sam" Martin

Investigator

Richard Pittman

Revenue Auditor

Deborah Cluff

WHAT'S IN THIS ISSUE

Cancellation of Games.....	Page 1
License Renewal Process	Page 1
Renewal Checklist.....	Page 2
Reimbursement of Bingo Expenses.....	Page 2
Duplicate Cards.....	Page 2
Posted Notifications	Page 3
Upgrade or Downgrade your License	Page 3

CANCELLATION OF GAMES CAUSED BY THE RODEO-CHEDISKI WILDFIRE

The Rodeo-Chediski Wildfire no doubt caused the cancellation of many bingo games in the Overgaard and Show Low areas during June and July. The department adopted a policy to temporarily forgo any penalties or interest due on reports filed by licensees in these areas. However, despite the emergency situations or natural disasters, such as the Rodeo-Chediski Wildfire, licensees are still required to send written notification of the cancellation and the date(s) that were canceled. This must be done as

soon as it is feasible.

Cancellation of bingo games for reasons other than the Rodeo-Chediski Wildfire, must be in writing and sent in advance of the proposed closure. This applies to single day closures such as holidays and seasonal closures such as the summer or winter months. Seasonal cancellations should include the beginning and ending dates. If the starting date is unknown, indicate that written notification will be sent prior to starting again.

THE LICENSEE RENEWAL PROCESS

Most bingo licenses expire on December 31st of each year. You should receive your renewal application in November, so if you don't, call us. Please complete your renewal application as soon as possible to assure immediate processing. No bingo games may be played legally after December 31st if the Bingo Section has not received your renewal license application.

If your renewal application is post-marked after December 31st, you must pay a late filing

penalty in addition to your regular renewal fee. The penalty is equal to your license fee: \$10 license fee, \$10 penalty. You will not be allowed to play bingo until your license has been renewed. However, if your renewal application is not received by January 30th, you will be required to reapply for a new bingo license.

Approval to conduct a "Special Bonus Game" also expires at

(Continued on page 2)

(Continued from page 1)

the end of each licensing period. For those of you authorized to play a "Special Bonus Game", you must reapply for approval at this time. We will be including a bonus game application along with your license renewal application.

RENEWAL CHECKLIST

Here is a checklist to make your renewal easier:

1. Look at the expiration date on your license. You need to renew your license before it expires. If you don't get your renewal form within one month of the expiration date, call us.
2. Verify the dates listed for proposed occasion cancellations. Are they correct?
(You MUST report if you close for the summer or winter months as part of your proposed occasion cancellation.)
3. Check the names of the people listed on the license. Cross out those you want to delete. If you need to add workers, print their names on the renewal form and send in their affidavits. Until further notice, the affidavits **MUST** still be notarized.
4. Class A licensees do not need to send affidavits for assistants. However, any affidavits for manager, proceeds coordinator, or supervisor **MUST** be notarized.
5. Sign the form. Please note that the renewal form does **not** have to be notarized.
6. Please return all pages of the renewal. They are important.
7. Enclose a check to cover the licensing fee: Class A \$10; Class B \$50; Class C \$200.
8. Your approval to conduct Special Bonus Games expires at the end of each licensing year. You must reapply each year for

approval to conduct Special Bonus Games.

9. Write your license number on everything you send us.

Please fill in your correct area code. Check your area code to make sure we have the correct one. We have had trouble contacting workers because the area codes were not correct or missing altogether, since many have changed.

REIMBURSEMENT OF BINGO EXPENSES

Arizona Revised Statutes § 5-406. H. 1 prohibits bingo net proceeds from being used to compensate or reimburse expenses of directors, officers and management personnel. Problems occur when an individual pays out of their own pocket, what would normally be considered a bona fide bingo expense. When they attempt to get reimbursement from bingo funds, it may appear they are receiving compensation in violation of the bingo statutes.

One way to avoid this problem is to get an invoice for the bona fide expenses and pay it directly out of bingo funds. Another alternative is to reimburse the individual from non-bingo organizational funds.

DUPLICATE CARDS

Although it doesn't happen often, once in a while we still receive calls about "duplicate cards". Duplicate cards are prohibited. If you have winners with duplicates we suggest you pay each duplicate as though it was the only winner. Yes, the whole prize amount to each winner. Then call us for further instructions.

POSTED NOTIFICATIONS

All licensees must post certain information on the premises during games. Such notification includes:

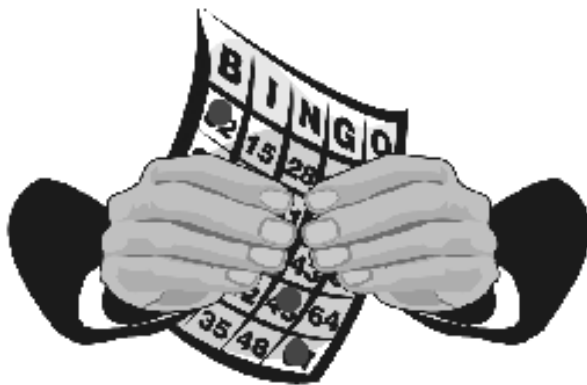
1. The bingo license itself must be prominently displayed at all times during a game. (A.R.S. 5-405)
2. Notice of charges for admissions, cards, papers, and any other service or privilege offered. (R 15-7-218)
3. A schedule of prizes showing prize amounts, patterns and any other pertinent information to identify the games being played. (R 15-7-219)
4. A notice that a current copy of the Arizona Revised Statutes governing bingo and the Bingo Administrative Rules are available for inspection by any player upon request. (R 15-7-221)

Licensees must post any confirmation of changes, additions and deletions of the licensee information, such as in playing times or game cancellations. (A.R.S. § 5-405)

UPGRADE OR DOWNGRADE YOUR LICENSE?

Some licensees have increased their gross sales each year while others have seen their revenues decline. If you fall into either of these categories, please keep in mind that you can upgrade or downgrade your license. Remember, gross sales for a Class A licensee is for bingo operations with \$15,600 or less annual income. In order to upgrade a Class A license to Class B license, the licensee must also be a "Qualified Organization" that has been in continuous existence for at least 2 years before applying. If you upgrade a Class A license, your annual licensee fee increases from \$10 to \$50 and you must report quarterly instead of annually.

A Class B license can be upgraded or downgraded depending on your annual gross sales which must be more than \$15,600 but less than \$300,000 per year. The annual license fee for a Class B license is \$50 compared to \$200 for a Class C. If you have a Class C license with sales less than \$300,000, you might want to consider downgrading.



Arizona Department of Revenue
1600 W Monroe
Phoenix Arizona 85007